REMARKS/ARGUMENTS

Reconsideration and allowance of this application are respectfully requested.

Currently, claims 57-70, 83-89, 101, 103 and 109-131 are pending in this application.

Allowable Subject Matter:

Applicant notes with appreciation the indication that claims 101, 103, 123 and 131 contain allowable subject matter (see section 17 of the Office Action).

Rejection Under 35 U.S.C. §102:

Claims 57-70, 83-89, 109-122 and 124-130 were rejected under 35 U.S.C. \$102(e) as allegedly being anticipated by Tagawa et al (U.S. '348, hereinafter "Tagawa"). Applicant respectfully traverses this rejection.

Tagawa was filed in the U.S. Patent Office on July 22, 1999. Accordingly, Tagawa is only effective as "prior art" as of its July 22, 1999 filing date.

The present application is entitled priority rights based on, for example, U.S. Provisional Application No. 60/138,551 which was filed on June 10, 1999 (i.e., before the July 22, 1999 filing date of Tagawa). Claims 57-70, 83-89, 109-122 and 124-130 are supported by U.S. Provisional Application No. 60/138,551 and are thus entitled to its earlier filing date. For example, claim 57 is reproduced below with corresponding page numbers of U.S. Application No. 60/138,551 which support the limitations of claim 57 in brackets and boldface.

57. A method of transferring authorization to render protected electronic content from a first device to a second device having a device cryptographic key, the method comprising: [pgs. 82-85 and 96-99]

receiving a transfer authorization request having an indicator of the first device, an indicator of the second device, and an indicator of the protected electronic content; [pgs. 96-103]

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> updating a first device history table to indicate that the first device is not authorized to render the protected electronic content and updating a second device history table to indicate that second device is authorized to render the protected electronic content based on the received transfer authorization request; and [pgs. 77-78, 88-89 and 97-981

> communicating a transfer authorization response having an indicator of the second device, an indicator of the protected electronic content, and a content cryptographic key for the protected electronic content protected using the device cryptographic key of the second device so that only the second device may gain access to the content cryptographic key by use of the device cryptographic key of the second device. [pgs. 82-85, 89-99 and 103]

Accordingly, Applicant submits that Tagawa is therefore not "prior art" with respect to the present application. It is thus not believed necessary at this time to discuss the technological deficiencies of this document. Applicant respectfully requests that the rejection under 35 U.S.C. §102(e) in view of Tagawa be withdrawn.

Conclusion:

Applicant believes that this entire application is in condition for allowance and respectfully requests a notice to this effect. If the Examiner has any questions, the Examiner is invited to telephone the undersigned.

Respectfully submitted,

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